

**Date:** June 14, 2017

**To:** IHLS Finance Committee  
IHLS Board of Directors

**From:** Adrienne L. Elam

**Subject:** IHLS Financial Reports as of May 31, 2017

The financial reports included represent IHLS' Financial Activities through May 31, 2017. On the Statement of Revenues and Expenditures, the column titled, "Approved FY2016-17 Budget Percent Total Budget Remaining", represents the remainder left (based on %) of the Approved FY2016-17 Budget. As of May 31, 2017, the target benchmark of the remaining budget should be 8% for all budget line items.

General Fund cash balance of \$3,608,916 would fund an estimated 17 months of General Fund operations. The projection of estimated months of funding would be reduced, if IHLS should have to fund special revenue grants. IHLS has not received any additional FY2016-17 System Area and Per Capita Grant (SAPG) revenues since the receipt of \$626,746 received in October 2016. The \$1,362,925 of FY2016-17 SAPG awarded and not received would fund an additional 6 months of General Fund operations. General Fund cash balance has declined \$1,297,653 since July 1, 2017.

### **Statement of Revenues and Expenditures**

#### **General Fund**

The revenue (54.49 %) below budget is due primarily to the non-receipt of the SAPG \$1,362,925. The personnel, vehicle expenses, supplies, postage & printing, and professional services expense line items remaining budget percentage is below target due to ILHS providing the state-wide Illinois Delivery Services (ILDS) not estimated in the FY2016-17 budget. The ILDS expenses are offset by revenue reflected in the Other Revenue Section. The conferences & continuing education meetings expenses are below the remaining budget target primarily because of IHLS advocacy and board training. The IHLS annual contribution to SHARE has not been transferred and will be done in June 2017.

#### **Special Revenue Funds**

All FY2016-17 special revenue grant funds have been received. It is expected to expense all funds awarded except for \$20,719 carryforward to FY2017-18 for OCLC.

#### **SHARE**

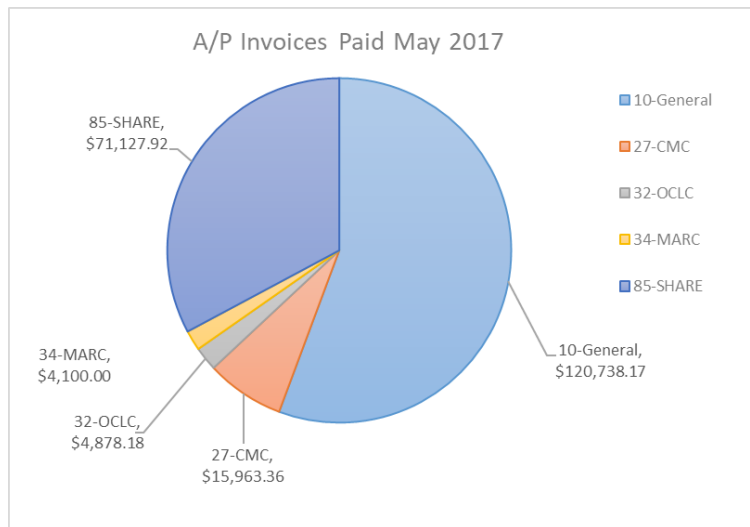
The revenue 5.16% above budget is due mainly to the receipt of a \$75,000 Walmart Foundation Grant in FY2016-17. The personnel expense 13.11% above budget is primarily due to the resignations of staff and positions not filled.

### **FY2017-18 Ancillary Benefit Insurances**

IHLS solicited proposals from two insurance brokers – Arch Brokerage Inc. (Arch) and Arthur J. Gallagher & Co. (Gallagher). Arch returned the most competitive proposal. Currently, IHLS has contracts expiring June 30, 2017 for staff dental insurance with Guardian and accidental death, life, and vision insurances with Humana. The recommendation for FY2017-18 would be to execute a contract with MetLife to provide ancillary benefit insurances to staff. IHLS FY2016-17 monthly dental insurance rate is \$32.21 and MetLife FY2017-18 proposed rate is \$23.51 or 27% savings. IHLS FY2016-17 monthly vision insurance rate is \$6.43 and MetLife FY2017-18 proposed rate is \$5.58 or 13% savings. MetLife is providing comparable coverages to existing policies.

**Finance Team Tasks Performed in May 2017**

- CFO, HR Assistant, HR Backup, and HR Supervisor attended Payroll Law Seminar.
- Prepared and processed two payrolls.
- Prepared IHLS Funds FY2017-2018 Operating Budgets and Narrative.
- Prepared April 2017 Bill Payment, Credit Card Transaction, Statement of Revenues and Expenditures, Balance Sheet Reports, and Cash Position Analysis for IHLS Finance Committee and Board of Directors.
- Generated and mailed 175 accounts receivable invoices (OCLC – 19 Monthly and 135 Transactional; SHARE – 3 Monthly, and 13 Cloud (3M) eBooks; General-1 Room Rental, 2 Library Law Book, and 2 ILDS Project).
- Received and posted 183 accounts receivable cash receipts checks (OCLC – 96, SHARE – 83, and General – 4).
- Received and entered 191 accounts payable invoices.
- Disbursed 110 accounts payable checks totaling \$216,807.63.



**Illinois Heartland Library System**  
Statement of Revenues and Expenditures  
**Fund #10 - General Fund**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved FY2016-17 Budget Percent Total Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
State Grants	0.00	626,746.00	1,989,670.98	(68.50)%	1,989,670.98
Fees for Services and Materials	242.45	2,377.65	0.00	0.00%	870.00
Investment Income	1,752.03	13,141.70	4,836.00	171.75%	5,005.53
Other Revenue	<u>43,932.03</u>	<u>295,526.82</u>	<u>66,026.84</u>	<u>347.59%</u>	<u>116,112.87</u>
Total Revenues	<u>45,926.51</u>	<u>937,792.17</u>	<u>2,060,533.82</u>	<u>(54.49)%</u>	<u>2,111,659.38</u>
<b>Expenses</b>					
Personnel	152,870.41	1,669,733.40	1,737,561.69	3.90%	1,749,574.33
Building and Grounds	15,242.49	195,850.11	198,222.00	1.20%	182,289.54
Vehicle Expenses	17,216.35	196,826.37	161,418.00	(21.94)%	157,190.97
Travel, Meetings & Continuing for Staff and	3,030.58	26,480.55	28,145.00	5.91%	18,658.32
Conferences & Continuing Education Meetings	1,209.99	11,340.19	7,000.00	(62.00)%	16,415.61
Public Relations	134.17	1,292.38	2,000.00	35.38%	1,669.54
Liability Insurance	0.00	14,782.93	16,053.00	7.91%	15,440.70
Supplies, Postage & Printing	593.49	38,047.20	32,000.00	(18.90)%	32,879.98
Telephone & Telecommunications	1,980.68	22,946.96	23,200.00	1.09%	17,673.44
Equipment Rental, Repair and Maintenance	480.18	4,398.75	15,000.00	70.67%	22,358.13
Professional Services	795.00	48,230.97	45,000.00	(7.18)%	56,417.65
Contractual Services	0.00	14,839.07	15,500.00	4.26%	5,775.67
Professional Membership Dues	0.00	2,656.00	3,000.00	11.47%	2,498.50
Miscellaneous	256.46	1,626.33	3,600.00	54.82%	2,537.77
Capital Outlays	<u>0.00</u>	<u>5,750.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>394.45</u>
Total Expenses	<u>193,809.80</u>	<u>2,254,801.21</u>	<u>2,287,699.69</u>	<u>1.44%</u>	<u>2,281,774.60</u>
<b>Other Financing Sources &amp; Uses</b>					
Transfer to Other Funds	<u>0.00</u>	<u>0.00</u>	<u>250,000.00</u>	<u>100.00%</u>	<u>202,034.09</u>
Total Other Financing Sources & Uses	<u>0.00</u>	<u>0.00</u>	<u>250,000.00</u>	<u>100.00%</u>	<u>202,034.09</u>
<b>Other Income (Expense)</b>					
Dreamhost	0.00	181.35	0.00	0.00%	318.40
Reimbursement	(27.90)	(418.50)	0.00	0.00%	(318.40)
Total Other Income (Expense)	(27.90)	(237.15)	0.00	0.00%	0.00
Total Revenue Over (Under) Expense	<u>(147,911.19)</u>	<u>(1,317,246.19)</u>	<u>(477,165.87)</u>	<u>176.06%</u>	<u>(372,149.31)</u>

**Illinois Heartland Library System**  
 Statement of Revenues and Expenditures  
**Fund #27 - Cataloging Maintenance Center (CMC)**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved Percent Total Budget FY2016-17 Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
State Grants	0.00	363,020.00	363,020.00	0.00%	404,346.00
Total State Grants	0.00	363,020.00	363,020.00	0.00%	404,346.00
Total Revenues	<u>0.00</u>	<u>363,020.00</u>	<u>363,020.00</u>	<u>0.00%</u>	<u>404,346.00</u>
<b>Expenses</b>					
Personnel	17,458.75	216,344.15	240,881.68	10.19%	297,671.77
Vehicle Expenses	0.00	35.35	0.00	0.00%	0.00
Travel, Meetings & Continuing for Staff and Board	77.04	2,297.09	2,025.00	(13.44)%	2,190.91
Conferences & Continuing Education Meetings	0.00	0.00	0.00	0.00%	10,000.00
Supplies, Postage & Printing	0.00	230.90	3,000.00	92.30%	19,069.00
Telephone & Telecommunications	196.53	2,230.05	2,652.60	15.93%	5,593.14
Equipment Rental, Repair and Maintenance	342.27	3,333.74	5,200.00	35.89%	0.00
Professional Services	5,185.12	52,618.77	65,159.00	19.25%	30,387.10
Contractual Services	3,435.14	31,681.57	44,101.72	28.16%	41,405.93
Professional Membership Dues	0.00	0.00	0.00	0.00%	25.00
Total Expenses	<u>26,694.85</u>	<u>308,771.62</u>	<u>363,020.00</u>	<u>14.94%</u>	<u>406,342.85</u>
Total Revenue Over (Under) Expense	<u>(26,694.85)</u>	<u>54,248.38</u>	<u>0.00</u>	<u>0.00%</u>	<u>(1,996.85)</u>

**Illinois Heartland Library System**  
Statement of Revenues and Expenditures  
**Fund #32- Online Computer Library Center (OCLC)**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved Percent Total Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
State Grants	0.00	159,925.00	159,925.00	0.00%	165,901.00
Total State Grants	0.00	159,925.00	159,925.00	0.00%	165,901.00
Total Revenues	0.00	159,925.00	159,925.00	0.00%	165,901.00
<b>Expenses</b>					
Personnel	8,293.28	100,717.23	114,532.96	12.06%	112,648.25
Supplies, Postage & Printing	100.00	1,204.65	3,300.00	63.50%	3,642.55
Telephone & Telecommunications	197.53	2,150.58	2,197.20	2.12%	926.39
Equipment Rental, Repair and Maintenance	305.10	2,739.50	3,100.20	11.63%	3,037.80
Professional Services	0.00	0.00	15,000.00	100.00%	0.00
Contractual Services	1,211.58	17,244.77	21,794.64	20.88%	16,916.01
Capital Outlays	0.00	0.00	0.00	0.00%	29,869.96
Total Expenses	10,107.49	124,056.73	159,925.00	22.43%	167,040.96
<b>Other Financing Sources &amp; Uses</b>					
Transfers From Other Funds	0.00	0.00	0.00	0.00%	(2,034.09)
Total Other Financing Sources & Uses	0.00	0.00	0.00	0.00%	(2,034.09)
Total Revenue Over (Under) Expense	(10,107.49)	35,868.27	0.00	0.00%	894.13

**Illinois Heartland Library System**  
Statement of Revenues and Expenditures  
**Fund #34- The Marc of Quality (TMQ)**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved FY2016-17 Budget Percent Total Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
State Grants	<u>0.00</u>	<u>8,200.00</u>	<u>8,200.00</u>	<u>0.00%</u>	<u>8,200.00</u>
Total Revenues	<u>0.00</u>	<u>8,200.00</u>	<u>8,200.00</u>	<u>0.00%</u>	<u>8,200.00</u>
<b>Expenses</b>					
Contractual Services	<u>4,100.00</u>	<u>8,200.00</u>	<u>8,200.00</u>	<u>0.00%</u>	<u>8,200.00</u>
Total Expenses	<u>4,100.00</u>	<u>8,200.00</u>	<u>8,200.00</u>	<u>0.00%</u>	<u>8,200.00</u>
Total Revenue Over (Under) Expense	<u>(4,100.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>

**Illinois Heartland Library System**  
Statement of Revenues and Expenditures  
**Fund #66 - Capital Fund**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved FY2016-17 Budget Percent Total Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
Investment Income	1,740.03	4,362.29	4,299.41	1.46%	4,296.47
Other Revenue	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>20,916.55</u>
Total Revenues	<u>1,740.03</u>	<u>4,362.29</u>	<u>4,299.41</u>	<u>1.46%</u>	<u>25,213.02</u>
<b>Expenses</b>					
Capital Outlays	<u>0.00</u>	<u>339,918.00</u>	<u>407,000.00</u>	<u>16.48%</u>	<u>129,570.00</u>
Total Expenses	<u>0.00</u>	<u>339,918.00</u>	<u>407,000.00</u>	<u>16.48%</u>	<u>129,570.00</u>
Total Revenue Over (Under) Expense	<u>1,740.03</u>	<u>(335,555.71)</u>	<u>(402,700.59)</u>	<u>(16.67)%</u>	<u>(104,356.98)</u>

**Illinois Heartland Library System**

Balance Sheet  
Governmental Funds  
as of May 31, 2017

	Major Funds					Non-Major Governmental Funds	Total
	General Fund	CMC Fund	Plinkit	OCLC Fund	Capital Projects Fund		
<b>Assets</b>							
Cash and Cash Equivalents	3,608,915.82	74,202.36	41,582.86	36,966.18	1,048,265.52	5,603.83	4,815,536.57
Due From Other Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants Receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	20,355.92	0.00	0.00	0.00	0.00	0.00	20,355.92
Prepaid Expenses	<u>11,571.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>11,571.00</u>
<b>Total Assets</b>	<u><b>3,640,842.74</b></u>	<u><b>74,202.36</b></u>	<u><b>41,582.86</b></u>	<u><b>36,966.18</b></u>	<u><b>1,048,265.52</b></u>	<u><b>5,603.83</b></u>	<u><b>4,847,463.49</b></u>
<b>Liabilities</b>							
Accounts Payable	14,586.42	0.00	0.00	30.40	48,495.00	0.00	63,111.82
Grants Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due to Other Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Expenses	<u>108,661.72</u>	<u>18,677.90</u>	<u>118.86</u>	<u>6,423.11</u>	<u>0.00</u>	<u>0.00</u>	<u>133,881.59</u>
<b>Total Liabilities</b>	<u><b>123,248.14</b></u>	<u><b>18,677.90</b></u>	<u><b>118.86</b></u>	<u><b>6,453.51</b></u>	<u><b>48,495.00</b></u>	<u><b>0.00</b></u>	<u><b>196,993.41</b></u>
<b>Deferred Inflows of Resources</b>							
Loss Book Funds	27.00	0.00	0.00	0.00	0.00	0.00	27.00
Other Deferred Inflows	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Deferred Inflows of Resources</b>	<u><b>27.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>27.00</b></u>
<b>Fund Balances</b>							
	<u><b>3,517,567.60</b></u>	<u><b>55,524.46</b></u>	<u><b>41,464.00</b></u>	<u><b>30,512.67</b></u>	<u><b>999,770.52</b></u>	<u><b>5,603.83</b></u>	<u><b>4,650,443.08</b></u>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<u><b>3,640,842.74</b></u>	<u><b>74,202.36</b></u>	<u><b>41,582.86</b></u>	<u><b>36,966.18</b></u>	<u><b>1,048,265.52</b></u>	<u><b>5,603.83</b></u>	<u><b>4,847,463.49</b></u>

*Non-Major Governmental Funds represents IMSA, TMQ, SWAYS, and Dream Grant.*



**Illinois Heartland Library System**  
Statement of Revenues and Expenditures  
**Fund #85 - Sharing Heartland's Available Resources Equally (SHARE)**

	May 2017 (05/01/2017 - 05/31/2017)	YTD Actuals FY2016-2017	Approved FY2016-17 Budget	Approved FY2016-17 Budget Percent Total Budget Remaining	Audited IHLS FY2015-2016 Total Actuals (07/01/2015 - 06/30/2016)
<b>Revenues</b>					
Fees for Services and Materials	933.49	1,084,907.91	1,100,857.58	(1.45)%	1,188,690.32
Investment Income	547.35	3,885.27	1,102.25	252.49%	1,117.23
Other Revenue	<u>687.53</u>	<u>96,195.46</u>	<u>24,860.80</u>	<u>286.94%</u>	<u>61,913.96</u>
Total Revenues	<u>2,168.37</u>	<u>1,184,988.64</u>	<u>1,126,820.63</u>	<u>5.16%</u>	<u>1,251,721.51</u>
<b>Expenses</b>					
Personnel	70,012.82	948,859.39	1,092,049.49	13.11%	1,114,447.47
Vehicle Expenses	63.51	690.41	1,320.00	47.70%	960.80
Travel, Meetings & Continuing for Staff and Board	4,317.17	14,698.44	9,174.00	(60.22)%	3,333.61
Conferences & Continuing Education Meetings	0.00	300.00	100.00	(200.00)%	65.43
Public Relations	0.00	93.20	0.00	0.00%	0.00
Supplies, Postage & Printing	0.00	4,074.93	6,000.00	32.08%	5,533.24
Telephone & Telecommunications	1,378.27	12,665.97	16,060.00	21.13%	15,990.24
Equipment Rental, Repair and Maintenance	342.29	3,333.97	3,400.00	1.94%	280.00
Professional Services	0.00	6,000.00	7,000.00	14.29%	490.00
Contractual Services	104.95	195,332.96	183,824.00	(6.26)%	162,183.10
Depreciation	0.00	0.00	0.00	0.00%	188,485.34
Professional Membership Dues	0.00	100.00	0.00	0.00%	0.00
Miscellaneous	<u>30.00</u>	<u>96.52</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>
Total Expenses	<u>76,249.01</u>	<u>1,186,245.79</u>	<u>1,318,927.49</u>	<u>10.06%</u>	<u>1,491,769.23</u>
<b>Other Financing Sources &amp; Uses</b>					
Transfers From Other Funds	0.00	0.00	(250,000.00)	100.00%	(200,000.00)
Transfer to Other Funds	<u>0.00</u>	<u>0.00</u>	<u>142,500.00</u>	<u>100.00%</u>	<u>0.00</u>
Total Other Financing Sources & Uses	<u>0.00</u>	<u>0.00</u>	<u>(107,500.00)</u>	<u>100.00%</u>	<u>(200,000.00)</u>
<b>Other Income (Expense)</b>					
Reimbursements-Restick Printers	0.00	0.00	0.00	0.00%	(11,154.75)
Reimbursements-Subscriptions	0.00	254,819.75	0.00	0.00%	267,743.32
Reimbursements-3M e-books	5,727.32	48,997.06	0.00	0.00%	53,637.90
Reimbursement:Subscriptions	(4,714.97)	(240,418.70)	0.00	0.00%	(302,932.71)
Reimbursement:3M e-books	(1,155.15)	(43,724.93)	0.00	0.00%	(53,637.58)
Reimbursement:SAM	0.00	(11,488.00)	0.00	0.00%	0.00
Pension Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>(50,867.45)</u>
Total Other Income (Expense)	<u>(142.80)</u>	<u>8,185.18</u>	<u>0.00</u>	<u>0.00%</u>	<u>(97,211.27)</u>
Total Revenue Over (Under) Expense	<u>(74,223.44)</u>	<u>6,928.03</u>	<u>(84,606.86)</u>	<u>(108.19)%</u>	<u>(137,258.99)</u>

**Illinois Heartland Library System**

Statement of Net Position

**SHARE Fund**

as of May 31, 2017

Computer Development Fund

## Assets:

## Current Assets:

Cash and Cash Equivalents	1,269,896.47
Due from Other Funds	0.00
Accounts Receivable	(1,324.28)
Prepaid Expenses	162,545.90
Net Pension Assets	(345,749.09)
Total Current Assets:	1,085,369.00

## Capital Assets:

Depreciable Capital Assets	2,667,758.77
Accumulated Depreciation	(2,365,161.74)
Total Capital Assets:	<u>302,597.03</u>
Total Assets:	<u>1,387,966.03</u>

## Deferred Outflows of Resources:

Deferred Outflows from Pension Contribution	
Deferred Outflows from Pension Contribution	<u>620,725.56</u>
Total Deferred Outflows of Resources:	<u>620,725.56</u>

Total Assets and Deferred Outflows of Resources 2,008,691.59

## Liabilities:

## Current Liabilities:

Accounts Payable	417.41
Accrued Expenses	<u>76,436.60</u>
Total Current Liabilities:	76,854.01

## Long-Term Liabilities:

Compensated Absences Payable	87,290.70
Other Long-Term Liabilities	<u>0.00</u>
Total Long-Term Liabilities:	<u>87,290.70</u>
Total Liabilities:	<u>164,144.71</u>

## Net Position:

Unrestricted	<u>1,844,546.88</u>
Total Net Position:	<u>1,844,546.88</u>

Total Liabilities, Deferred Inflows & Net Position 2,008,691.59